
By: **Delegates Madaleno, G. Clagett, Griffith, and Jones**
Introduced and read first time: February 13, 2004
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Stadium Authority - Public School Facility Construction**
3 **Financing Fund**

4 FOR the purpose of establishing a Public School Facility Construction Financing
5 Fund; specifying the purpose and status of the Fund; requiring the Maryland
6 Stadium Authority to issue during a certain period revenue bonds in a certain
7 amount for the construction of public school facilities; requiring the Authority to
8 use the Fund for the construction of public school facilities in the State;
9 specifying certain sources of money for the Fund, including proceeds from the
10 sale of a certain amount of Authority bonds; requiring that a certain amount of
11 receipts from the Fund and a certain amount of proceeds from the State Lottery
12 Agency that are allocated to the Maryland Stadium Authority Financing Fund
13 be pledged to and charged with the payment of debt service on certain Authority
14 bonds; requiring that the State during a certain period make available to each
15 county on a matching basis a certain amount of Fund money; specifying the
16 maximum amount of Fund money for each county; specifying the amount
17 available from the Fund for each county as a percentage of the costs of
18 construction projects for that county; defining certain terms; and generally
19 relating to the Public School Facility Construction Financing Fund.

20 BY adding to
21 Article - Financial Institutions
22 Section 13-717.3
23 Annotated Code of Maryland
24 (2003 Replacement Volume)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

27 **Article - Financial Institutions**

28 13-717.3.

29 (A) (1) IN THIS SECTION, THE FOLLOWING WORDS HAVE THE MEANINGS
30 INDICATED.

1 (2) "CONSTRUCTION" MEANS:

2 (I) NEW CONSTRUCTION; OR

3 (II) THE RENOVATION, REHABILITATION, OR MODERNIZATION OF
4 EXISTING FACILITIES.

5 (3) "COSTS" INCLUDES THE COSTS OF CONSTRUCTION,
6 RECONSTRUCTION, CAPITAL EQUIPMENT, REPAIR, AND RENOVATION.

7 (4) "PUBLIC SCHOOL FACILITY" MEANS A BUILDING, PARKING FACILITY,
8 ATHLETIC FACILITY, TESTING FACILITY, OR OTHER FACILITY IN THE STATE THAT IS
9 USED BY THE BOARD OF EDUCATION OF A COUNTY IN RELATION TO THE EDUCATION
10 OF STUDENTS IN A COUNTY PUBLIC SCHOOL SYSTEM.

11 (B) IN THE PERIOD BEGINNING JULY 1, 2004, AND ENDING JUNE 30, 2006, THE
12 AUTHORITY SHALL ISSUE REVENUE BONDS IN THE AMOUNT OF \$600,000,000 FOR THE
13 CONSTRUCTION OF PUBLIC SCHOOL FACILITIES IN THE STATE.

14 (C) (1) THERE IS A PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING
15 FUND.

16 (2) THE AUTHORITY SHALL USE THE PUBLIC SCHOOL FACILITY
17 CONSTRUCTION FINANCING FUND AS A NONLAPSING, REVOLVING FUND FOR
18 CARRYING OUT THE PROVISIONS OF THIS SUBTITLE CONCERNING THE
19 CONSTRUCTION OF PUBLIC SCHOOL FACILITIES IN THE STATE.

20 (D) THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND SHALL
21 CONSIST OF:

22 (1) FUNDS APPROPRIATED FOR DEPOSIT TO THE PUBLIC SCHOOL
23 FACILITY CONSTRUCTION FINANCING FUND;

24 (2) INTEREST OR OTHER INCOME EARNED ON THE INVESTMENT OF
25 MONEYS IN THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND;

26 (3) ANY ADDITIONAL MONEYS MADE AVAILABLE FROM ANY PUBLIC OR
27 PRIVATE SOURCE FOR THE PURPOSES FOR WHICH THE PUBLIC SCHOOL FACILITY
28 CONSTRUCTION FINANCING FUND HAS BEEN ESTABLISHED; AND

29 (4) PROCEEDS FROM THE SALE OF REVENUE BONDS IN THE AMOUNT OF
30 \$600,000,000 RELATED TO THE CONSTRUCTION OF PUBLIC SCHOOL FACILITIES.

31 (E) (1) THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND IS
32 A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY TO
33 IMPLEMENT THE PROVISIONS OF THIS SUBTITLE CONCERNING THE CONSTRUCTION
34 OF PUBLIC SCHOOL FACILITIES.

1 (2) NO PART OF THE PUBLIC SCHOOL FACILITY CONSTRUCTION
 2 FINANCING FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY
 3 OTHER SPECIAL FUND OF THE STATE.

4 (F) THE AUTHORITY SHALL PAY ANY AND ALL EXPENSES INCURRED BY THE
 5 AUTHORITY CONCERNING THE PUBLIC SCHOOL FACILITY CONSTRUCTION FUND
 6 FROM THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND.

7 (G) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,
 8 THE MONEY IN THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND
 9 AND PROCEEDS FROM THE STATE LOTTERY AGENCY THAT ARE ALLOCATED TO THE
 10 MARYLAND STADIUM AUTHORITY FINANCING FUND SHALL BE PLEDGED TO AND
 11 CHARGED WITH THE PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS FOR:

12 (I) CONSTRUCTION OF PUBLIC SCHOOL FACILITIES; AND

13 (II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE
 14 AUTHORITY'S BORROWING AND THE MANAGEMENT OF ITS OBLIGATIONS THAT ARE
 15 RELATED TO THE CONSTRUCTION OF PUBLIC SCHOOL FACILITIES.

16 (2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 13-712(C) OF
 17 THIS SUBTITLE.

18 (H) (1) THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND
 19 SHALL BE INVESTED AND REINVESTED BY THE TREASURER IN THE SAME MANNER
 20 AS STATE FUNDS.

21 (2) ANY INVESTMENT EARNINGS SHALL BE TRANSFERRED TO THE
 22 CREDIT OF THE PUBLIC SCHOOL FACILITY CONSTRUCTION FINANCING FUND.

23 (I) IN THE PERIOD BEGINNING JULY 1, 2004, AND ENDING JUNE 30, 2006, THE
 24 STATE SHALL MAKE AVAILABLE TO EACH COUNTY FROM THE PUBLIC SCHOOL
 25 FACILITY CONSTRUCTION FINANCING FUND MONEY ON A MATCHING BASIS,
 26 ACCORDING TO THE FOLLOWING TABLE:

27 COUNTY	28 MAXIMUM AMOUNT 29 AVAILABLE FROM 30 THE PUBLIC SCHOOL 31 FACILITY CONSTRUCTION 32 FINANCING FUND	33 AMOUNT FROM THE 34 FUND AS EXPRESSED 35 AS A PERCENTAGE OF 36 COSTS OF 37 CONSTRUCTION 38 PROJECTS
34 ALLEGANY	\$10,000,000	70%
35 ANNE ARUNDEL	\$55,000,000	40%
36 BALTIMORE CITY	\$65,000,000	90%
37 BALTIMORE COUNTY	\$70,000,000	50%
38 CALVERT	\$8,000,000	60%
39 CAROLINE	\$8,000,000	75%
40 CARROLL	\$15,000,000	60%

1 CECIL	\$10,000,000	65%
2 CHARLES	\$15,000,000	60%
3 DORCHESTER	\$2,000,000	65%
4 FREDERICK	\$30,000,000	60%
5 GARRETT	\$3,000,000	60%
6 HARFORD	\$30,000,000	60%
7 HOWARD	\$35,000,000	45%
8 KENT	\$3,000,000	40%
9 MONTGOMERY	\$90,000,000	40%
10 PRINCE GEORGE'S	\$90,000,000	90%
11 QUEEN ANNE'S	\$5,000,000	50%
12 ST. MARY'S	\$12,000,000	60%
13 SOMERSET	\$7,500,000	75%
14 TALBOT	\$1,500,000	40%
15 WASHINGTON	\$15,000,000	60%
16 WICOMICO	\$15,000,000	70%
17 WORCESTER	\$5,000,000	40%

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 2004.